

## Message Text

LIMITED OFFICIAL USE

PAGE 01 VIENNA 02374 131222Z

ACTION STR-07

INFO OCT-01 EUR-12 IO-13 ISO-00 STRE-00 AGRE-00 CEA-01

CIAE-00 COME-00 DODE-00 EB-08 FRB-03 H-01 INR-10

INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 CTME-00

AID-05 SS-15 ITC-01 TRSE-00 USIA-06 SP-02 SOE-02

OMB-01 DOE-11 /117 W

-----088993 131818Z /43

R 131150Z MAR 78

FM AMEMBASSY VIENNA

TO SECSTATE WASHDC 5531

INFO USMISSION GENEVA

LIMITED OFFICIAL USE VIENNA 02374

E.O. 11652: N/A

TAGS: ETRD, GATT, MTN, AU

SUBJECT: AUSTRIAN MTN PREPARATIONS

REF: A. GENEVA 3760; B. GENEVA 3086; C. VIENNA 1298

1. IN A LENGTHY SESSION WITH GOA GATT AFFAIRS CHIEF WILLENPART (AND HIS DEPUTY) ECON COUNS AGAIN URGED THE AUSTRIANS TO STEP UP MTN PREPARATIONS. DESCRIPTION OF US OFFER IN REF B WAS VERY USEFUL. WILLENPART EXPRESSED APPRECIATION FOR TRADE DATA PROVIDED BY USMTN DELEGATION, AND CONFIRMED REF A REPORT THAT PREPARATION OF DETAILED AUSTRIAN OFFER WAS UNDERWAY. THIS WILL CONSIST OF A LINE-BY-LINE POSITIVE LIST. WILLENPART WAS UNWILLING, HOWEVER, TO COMMIT GOA TO DATE FOR TABLING DUE TO "EXTENSIVE WORK" STILL TO BE DONE. HE ALSO SAID THERE HAD BEEN NO PROGRESS BEYOND THAT REPORTED REF C WITH RESPECT TO THE TARIFF FORMULA COEFFICIENT. AFTER REPEATED QUESTIONING, THE GOA OFFICIAL FINALLY SAID HE THOUGHT AUSTRIA COULD BEGIN BILATERAL NEGOTIATIONS WITH THE US

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 VIENNA 02374 131222Z

(WHICH WILL BE AUSTRIA'S MOST IMPORTANT NEGOTIATING PARTNER) IMMEDIATELY AFTER NEXT "SENIOR LEVEL" MTN MEETING, WHICH HE BELIEVED WAS SCHEDULED FOR APRIL 10. WILLENPART MADE CLEAR THAT THE FULL AUSTRIAN OFFER SHOULD NOT BE EXPECTED AT THAT TIME. HE FELT, HOWEVER, THAT GOA WOULD BE FAR ENOUGH BEYOND ITS INITIAL OUTLINE TO JUSTIFY BILATERAL NEGOTIATIONS.

2. DURING THE CONVERSATION WILLENPART REFERRED TO TWO OTHER ISSUES WHICH WE BELIEVE WILL BECOME INCREASINGLY IMPORTANT IN US-AUSTRIAN MTN NEGOTIATIONS. THE FIRST IS THE CODE FOR GOVERNMENT PROCUREMENT (WHICH HAD BEEN THE SUBJECT OF AN INTER-GOA MEETING SHORTLY BEFORE THE CONVERSATION REPORTED). ACCORDING TO WILLENPART, THE GOA CAN NOT ACCEPT THE PROCUREMENT CODE AS A "PACKAGE". THE REASONS FOR THIS ARE (A) THERE ARE TOO FEW AUSTRIAN FIRMS (I.E. 0.5 PERCENT) LARGE ENOUGH TO BE ELIGIBLE FOR THE TYPE CONTRACTS COVERED, AND (B) THE "JUSTIFICATION PROCEDURES" CAN NOT BE EFFECTIVELY APPLIED TO THE EAST EUROPEAN COUNTRIES, WHICH COMPETE WITH AUSTRIA FOR CONTRACTS IN "SOME IMPORTANT AREAS". THE GOA FAVORS A CODE AND WOULD BE WILLING TO ADHERE TO CERTAIN SECTIONS. IT WILL, HOWEVER, NEED SOME EXCEPTIONS. WILLENPART'S SECOND POINT WAS THE CONTINUED DECLINE OF THE DOLLAR VIS-A-VIS THE SCHILLING. SINCE THE SCHILLING HAS APPRECIATED SIGNIFICANTLY AGAINST THE DOLLAR IN RECENT YEARS (12 PERCENT IN 1977 ALONE) WHILE THE AUSTRIAN DEFICIT IN OUR BILATERAL TRADE BALANCE HAS GROWN, THE THRUST OF WILLENPART'S COMMENT IS CLEAR.

3. WE PLAN TO FOLLOW THROUGH IN CONTACTS WITH LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 VIENNA 02374 131222Z

OTHER ORGANIZATIONS WHICH ALSO FIGURE IMPORTANTLY IN AUSTRIA'S MTN PREPARATIONS. WOLF

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC PROGRAMS, NEGOTIATIONS, PLANNING MEETINGS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 13 mar 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978VIENNA02374  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780111-0879  
**Format:** TEL  
**From:** VIENNA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780374/aaaackmw.tel  
**Line Count:** 96  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 4b00f6c7-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION STR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 GENEVA 3760, 78 GENEVA 3086, 78 VIENNA 1298  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3347900  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** AUSTRIAN MTN PREPARATIONS  
**TAGS:** ETRD, AU, GATT, MTN  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/4b00f6c7-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014